

September 20, 2006

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Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: *Ex Parte Notice of Alaska Communications Systems Group, Inc.*

Petition of ACS of Anchorage, Inc. Pursuant to Section 10 of the Communications Act, as amended, for Forbearance from Section 251(c)(3) and 252(d)(1) in the Anchorage LEC Study Area, WC Docket No. 05-281

Petition of ACS of Anchorage, Inc. Pursuant to Section 10 of the Communications Act of 1934, as amended (47 U.S.C. 160(c)), for Forbearance from Certain Dominant Carrier Regulation of Its Interstate Access Services, and for Forbearance from Title II Regulation of Its Broadband Services, in the Anchorage, Alaska, Incumbent Local Exchange Carrier Study Area, WC Docket No. 06-109

Dear Ms. Dortch:

On September 19, 2006, Liane Pelletier and Leonard Steinberg of Alaska Communications Systems Group, Inc. ("ACS"), and Karen Brinkmann and Elizabeth Park of Latham and Watkins LLP, met with Commissioner Tate and her legal advisor, Ian Dillner, to discuss the above-referenced proceedings.

During the meeting, ACS described the extensive facilities-based local exchange competition in Anchorage. ACS's primary competitor, General Communication, Inc. ("GCI"), has cable and fiber facilities that are currently used, or could easily be used, to provide local exchange service to a significant number of both business and residential customers in each of the wire centers in the Anchorage study area. Additionally, GCI has demonstrated that it is capable of deploying wireless local loop and microwave technology to serve residential and business customers on GCI's own facilities. Thus, GCI and other competitive carriers would not be impaired without access to ACS's UNEs.

LATHAM & WATKINS LLP

ACS expressed its willingness and its need to negotiate commercial agreements with GCI for reciprocal access to facilities. However, GCI currently has the advantage in such negotiations of relying on mandated access to ACS's UNEs. A grant of forbearance from ACS's UNE obligations in Anchorage would put ACS and GCI on more equal footing. Given the significant level of current and future facilities-based competition, market forces will ensure that consumers will continue to be protected and that the public interest will be served.

ACS informed Commissioner Tate and Mr. Dillner that ACS has filed a petition for forbearance from certain dominant carrier regulations, similar to that granted to Qwest in Omaha, Nebraska, and from Title II regulation of broadband services, similar to that granted by operation of law to Verizon. ACS noted that Verizon's petition was not based on any particular geographic market and that Verizon's arguments apply generally on a nationwide basis. Therefore, the Commission should grant relief from Title II regulation of broadband services with respect to all carriers on a nationwide basis.

Attached are copies of materials provided to Commissioner Tate and Mr. Dillner. Please contact the undersigned if you have any questions regarding this submission.

Respectfully submitted,

/s/

Elizabeth R. Park

*Counsel to Alaska Communications Systems Group,
Inc. and ACS of Anchorage, Inc.*

Enclosures


cc: Commissioner Deborah Tate
 Ian Dillner

**ACS of Anchorage, Inc. Petition for Forbearance
from Unbundling Obligations**

(WC Docket 05-281)

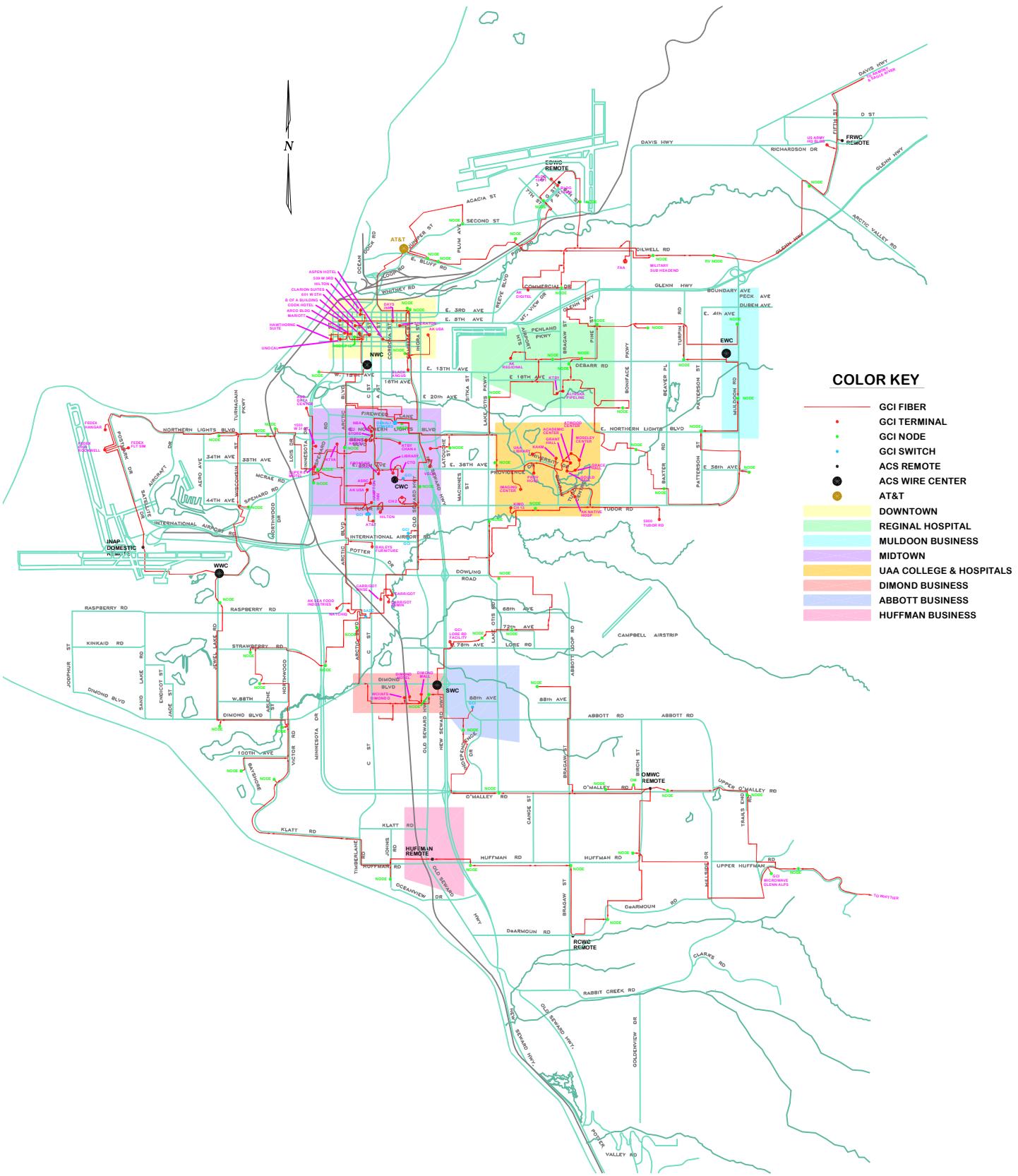
FCC Meetings Sept. 19-21, 2006

- GCI enjoys a larger retail market share than ACS
- GCI has its own last-mile facilities that reach nearly all customers in the Anchorage study area today
 - GCI uses its own coaxial cable, fiber, and wireless local loops to provide switched telephony and business services throughout the Anchorage study area
 - GCI serves more than 60% of its customers today without using ACS UNEs, and GCI has publicly stated its intent to be almost entirely independent of ACS's facilities by year-end 2007
- The fact that GCI uses ACS's UNEs does not mean that GCI would be legally "impaired" without them, under the Act
 - GCI would like to be deemed "impaired" as long as it is cheaper for GCI to purchase UNEs than to build its network to any customer in the market; GCI enjoys the economic arbitrage opportunities currently provided by the Act
 - Forbearance could never be granted if impairment were established whenever a CLEC chooses to buy UNEs
 - The law does not permit perpetually requiring ILECs to offer UNEs after a reasonably efficient competitor can enter the market
- Mandating ACS to offer UNEs gives GCI no incentive to negotiate; eliminating this mandate will bring both parties to the bargaining table
 - Deregulation will allow the parties to arrive at commercially negotiated rates and establish mutual terms of access to each other's network, giving customers a choice of service provider in what would become a truly competitive marketplace



GCI FIBER NETWORK IN ANCHORAGE

AS MAPPED BY ACS TECHNICIANS



CCI & ACS FIBER NETWORKS IN ANCHORAGE

AS MAPPED BY ACS TECHNICIANS

